

## Message Text

CONFIDENTIAL

PAGE 01 LISBON 00380 161852Z  
ACTION EUR-08

INFO OCT-01 SS-14 ISO-00 NSC-05 SP-02 L-01 INR-05  
CIAE-00 NSAE-00 EB-04 OMB-01 TRSE-00 IO-06 IGA-01  
/048 W

-----023821 162228Z /63

R 161706Z JAN 78  
FM AMEMBASSY LISBON  
TO AMEMBASSY BONN  
INFO SECSTATE WASHDC 4396

C O N F I D E N T I A L LISBON 0380

LIMDIS

DEPT. PASS TREASURY FOR SYVRUD

E.O. 11652: GDS  
TAGS: EFIN, ECON, EAID, PO  
SUBJECT: AID TO PORTUGAL

REF: (A) BONN 564 (B) LISBON 293

1. GERMAN EMBASSY OFFICER INFORMED ECONOMIC COUNSELOR THAT  
FRG 1978 BUDGET PROPOSAL CONTAINS AUTHORIZATION OF SOME  
\$250 MILLION FOR ASSISTANCE TO PORTUGAL, SPAIN AND GREECE.  
THIS APPROPRIATION IS TO BE ADDITIONAL TO NORMAL BILATERAL  
ASSISTANCE PROGRAMS. GERMAN OFFICER STATED THAT FRG HAD  
PREVIOUSLY ATTEMPTED TO OBTAIN EUROPEAN COMMUNITY AGREEMENT  
ON A MINI "MARSHALL PLAN" FOR THESE COUNTRIES. WHEN THAT  
EFFORT FAILED, FRG DECIDED TO PROCEED ON ITS OWN WITH THE  
\$250 MILLION APPROPRIATION. HE WAS UNABLE TO PROVIDE DETAILS  
AS TO AVAILABILITY OF FUNDS, CONDITION FOR DRAWDOWN, PROJECTS  
OR PROGRAMS ELEIGIBLE FOR FINANCING, CONDITIONS FOR REPAYMENT,  
ETC.

2. GERMAN EMBASSY OFFICER CONFIRMED REF A REPORT OF  
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PORTUGUESE SOCIALIST PARTY (PS) LEADERS TELLING FRG THAT  
USG IS DISPOSED TO EASE ITS CONDITIONS FOR \$300 MILLION  
LOAN, INCLUDING AUTHORIZATION OF AN EARLY DRAWDOWN.  
HE SPECIFICALLY MENTIONED PS NATIONAL ASSEMBLY LEADER  
SALGADO ZENHA AS SOURCE OF THESE STATEMENTS. HE ASSERTED  
THAT HE HAD, BASED ON HIS EARLIER CONVERSATIONS WITH  
ECON COUNSELOR, INFORMED HIS GOVERNMENT THAT PS STATEMENTS

WERE CONTRARY TO HIS UNDERSTANDING OF USG POLICIES.

3. ACTION REQUESTED: WE WOULD APPRECIATE ANY INFORMATION  
EMBASSY BONN CAN PROVIDE ON PROPOSED \$250 MILLION APPRO-  
PRIATION.  
OKUN

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NNN

## Message Attributes

**Automatic Decaptioning:** Z  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** ECONOMIC ASSISTANCE, BUDGETS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 16 jan 1978  
**Decaption Date:** 20 Mar 2014  
**Decaption Note:** 25 YEAR REVIEW  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978LISBON00380  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780023-0834  
**Format:** TEL  
**From:** LISBON  
**Handling Restrictions:**  
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**Legacy Key:** link1978/newtext/t19780160/aaaabyjf.tel  
**Line Count:** 68  
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**Litigation Codes:**  
**Litigation History:**  
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**Message ID:** c69663e3-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION EUR  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** LIMDIS  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** LIMDIS  
**Reference:** 78 BONN 564, 78 LISBON 293  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 19 may 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 3770480  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** AID TO PORTUGAL  
**TAGS:** EFIN, ECON, EAID, PO  
**To:** BONN  
**Type:** TE  
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**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014